

HEALTH ANNUAL STATEMENT

FOR THE YEAR ENDING DECEMBER 31, 2004 OF THE CONDITION AND AFFAIRS OF THE

Health Alliance Plan of Michigan

	311 131 t Period) (Prior Pe	1 NAIC	Company Code	95844	Employer's ID Number	38-2242827
Organized under the Laws of			State	of Domicile or	Port of Entry	Michigan
Country of Domicile		J	United States			
Licensed as business type:	Life, Accident & Health	n[]	Property/Casualty [Service Corporation []	
,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	Vision Service Corpora		Other[]	-	Maintenance Organization	ı[X]
	Hospital, Medical & De), Federally Qualified? Yes	
la a a ma a mata d	06/27/1978		,,,,		•	
Incorporated		Commenced Busin	ess	02/08/19	3/9	
Statutory Home Office	est Grand Bouler reet and Number)	<u>ard</u> ,		Detroit, MI 4820 (City or Town, State and Z		
Main Administrative Office	(,	2850 Wa	st Grand Boule		, ,
				eet and Number)		
	etroit, MI 48202 own, State and Zip Code)			(Ar	313-872-8100 ea Code) (Telephone Number)	
Mail Address	2850 West Grand I				Detroit, MI 48202	
D:	P.O. Box)		0050144 + 0	(City or Town, State and Zip Coo	ie)	
Primary Location of Books and	d Records				rand Boulevard ad Number)	
			`	248-443-1093		
Internet Website Address	own, State and Zip Code)		3878787	Are hap.org.	ea Code) (Telephone Number)	
Statutory Statement Contact	a Ronan CPA	***************************************	ap.019	248-443-1093		
•		(Name)			(Area Code) (Telephone Number)	(Extension)
	onan@hap.org [E-mail Address)				248-443-8610 (FAX Number)	
Policyowner Relations Contac	!		2850 We	st Grand Boul	evard	
•		(Street and Number)		<u> </u>		
	etroit, MI 48202 own, State and Zip Code)			(Area Co	313-872-8100 de) (Telephone Number) (Extension	
(-3,-	, , ,			(/ 11 04 00	do) (Totophono Hambor) (Extended	,
			OFFICERS			
Name		Title		Name		Title
Francine Parker Ronald W. Berry		dent and CEO reasurer		urice E. McMu orah Tasich-W		Secretary sistant Secretary
			ER OFFICER	S		
		DIDECTO	DO OD TRU)TEE0		
Nicholas C. Anderson	Dona	DIRECTO ald W. Boggs	RS OR TRUS	STEES / Beth Bolton N	M D Herm	nan W. Coleman
Dennis H. DePaulis		y C. Dickson		ohn T. Gargar		ethro Joseph
Francine Parker #		am L. Peirce		arol Quigley IH		erine A. Roberts
Robin Scales-Wooten #	r Nan	cy Schlicting		Gerald K. Smitl	n Rebeco	ca R. Smith M.D. #
0.1.6	#: 1 ·					
State of	J	SS				
County of	Wayne					
The officers of this reporting entity above, all of the herein described this statement, together with relate of the condition and affairs of the completed in accordance with the that state rules or regulations requirespectively. Furthermore, the scoexact copy (except for formatting do to the enclosed statement.	assets were the absolute p d exhibits, schedules and said reporting entity as of NAIC Annual Statement In ire differences in reporting be of this attestation by the	explanations there the reporting perio structions and Acc not related to acce described officer	reporting entity, free and in contained, annexed of distated above, and of counting Practices and Frounting practices and properties and properties and properties and properties also includes the relations.	nd clear from any or referred to is a its income and corocedures manurocedures, accorted correspondir	y liens or claims thereon, exce a full and true statement of all id deductions therefrom for the pual except to the extent that: (1 rding to the best of their inform ng electronic filing with the NAI	pt as herein stated, and that the assets and liabilities and erod ended, and have been) state law may differ; or, (2) lation, knowledge and belief, IC, when required, that is an
					· -	
Francine Pa President and		M	aurice E. McMurray Secretary			W. Berry Isurer
			,	a loth	is an original filing?	Yes [X] No []
Subscribed and sworn to be 28th day of	ore me this February, 2004	-		b. If no 1. St		
						-
Roderick Curry CPA		_		J. INL	umber of pages attached	
Notary August 14 2006						

EXHIBIT 2 - ACCIDENT AND HEALTH PREMIUMS DUE AND UNPAID

1	2	3	4	5	6	7		
Name of Debtor	1 - 30 Days	31 - 60 Days	61 - 90 Days	Over 90 Days	Nonadmitted	Admitted		
0199999 Total individuals								
Group subscribers:								
Premiums are allocated based upon the resident state of the subscriber	4,518,308	1,770,034				6,288,342		
Group subscribers: Premiums are allocated based upon the resident state of the subscriber	2,012,966	, ,,,,				2,012,966		
	, , , , , , , , , , , , , , , , , , , ,							
0299997 Group subscriber subtotal	6,531,274	1,770,034	0	0	0	8,301,308		
0299998 Premiums due and unpaid not individually listed	5,354,677					5,354,677		
0299999 Total group	11,885,951	1,770,034	0	0	0	13,655,985		
0399999 Premiums due and unpaid from Medicare entities								
0499999 Premiums due and unpaid from Medicaid entities								
0599999 Accident and health premiums due and unpaid (Page 2, Line 12)	11,885,951	1,770,034	0	0	0	13,655,985		

EXHIBIT 3 - HEALTH CARE RECEIVABLES

1	2		1		6	7
Name of Debtor	1 - 30 Days	3 31 - 60 Days	61 - 90 Days	5 Over 90 Days	Nonadmitted	Admitted
ndividually Listed Receivables: lerck lyeth						
erck						
veth	443.849					443.849
axo Smithkline	319.280					319.280
0199998 - Aggregate of amounts not individually listed above.		0)			365,604
	1,794,471	0)			1,794,471
0790008 - Aggregate of amounts not individually listed shove						624,402
0199999 - 0299998 - Aggregate of amounts not individually listed above. 0299999 -						624,402
0299999 -	024,402					024,402
		·		+		+
		 		+	- 	
		 		+		
					-	-
						-
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					-	-
						-
						-
					-	-
						-
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				+		+
						-
		 				
		 				
0799999 Gross health care receivables	2,418,873	0) [1		2,418,873

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ANNUAL STATEMENT FOR THE YEAR 2004 OF THE Health Alliance Plan of Michigan

EXHIBIT 4 – CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

	Aging Analysis of Unpaid (Claims	•	•	•	•
1	2	3	4	5	6	7
Account	1 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	Over 120 Days	Total
Claims Unpaid (Reported)						İ
						 I
						 I
						 I
						·
						ı
						L
						L
						
						r
						I
0199999 Individually listed claims unpaid	0	Λ	0	Λ	Λ	
0299999 Aggregate accounts not individually listed-uncovered		2,824	5	353	5,890	768,368
0399999 Aggregate accounts not individually listed-covered	17,400,641	7,114	633	2,416	48,170	17,458,974
0499999 Subtotals	18,159,937	9,938	638	2,769	54,060	18,227,342
0599999 Unreported claims and other claim reserves	,,	-,		=,: • •		44,762,512
0699999 Total amounts withheld						35,311,608
0799999 Total claims unpaid						98,301,462
0899999 Accrued medical incentive pool and bonus amounts						3.027.572

EXHIBIT 5 - AMOUNTS DUE FROM PARENT, SUBSIDIARIES AND AFFILIATES

EXHIDIT 3 - ANIOU		OW I AITEN	i, cobolbi	AITIES AITE	ALLIAIE		
1	2	3	4	5	6	Adm	
						7	8
Name of Affiliate	1 - 30 Days	31 - 60 Days	61 - 90 Days	Over 90 Days	Nonadmitted	Current	Non-Current
Individually Listed Receivables: Alliance Health and Life Insurance Compa							
Alliance Health and Life Insurance Compa	1,306,368					1,306,368	
				-			
				-			
	4 200 200	ł	· 	· 		4 200 200	
0199999 Individually listed receivables	1,306,368	J	 0	 	JU	1,306,368	ļ
0299999 Receivables not individually listed	127,217		1	1		127,217	
0399999 Total gross amounts receivable	1,433,585	0	0	0	0	1,433,585	C

EXHIBIT 6 - AMOUNTS DUE TO PARENT, SUBSIDIARIES AND AFFILIATES

Affiliate Description Description Amount Current Non-C	rent
Affiliate Description Amount Current Non-C Alliance Health and Life Insurance Company. Management Fees and Reimbursements. 341,086 341,086 Henry Ford Health System. Payroll, Reimbursements and Corporate Allocations. 133,882 133,882 Preferred Health Plan. Health Choice Plan for HFHS Employees. 81,400 81,400	rrent
Alliance Health and Life Insurance Company. Henry Ford Health System. Preferred Health Plan. Health Choice Plan for HFHS Employees. Alliance Health Plan. Management Fees and Reimbursements. Payroll, Reimbursements and Corporate Allocations. Health Choice Plan for HFHS Employees. Alliance Health Plan. 341,086 341,086 341,086 133,882 Health Choice Plan for HFHS Employees. 81,400	
Henry Ford Health System	
Preférred Health Plán. Heálth Choice Plan for HFHS Employees 81,400 81,400	
0199999 Individually listed payables	0
0299999 Payables not individually listed	
0399999 Total gross payables 556,368 556,368	0

EXHIBIT 7 PART 1- SUMMARY OF TRANSACTIONS WITH PROVIDERS

	1 Direct Medical Expense	2 Column 1 as a %	3 Total Members	4 Column 3 as a %	5 Column 1 Expenses Paid to	6 Column 1 Expenses Paid to
Payment Method	Payment	of Total	Covered	of Total	Affiliated Providers	Non-Affiliated Providers
Capitation Payments:	·					
Medical groups	848,056,016	66 . 1	4,265,982	76.7	701,387,773	146,668,243
2. Intermediaries	0	0.0		0.0		
3. All other providers	2,705,448	0.2	1,295,763	23.3	258,931	2,446,517
Total capitation payments	850,761,464	66 . 3	5,561,745	100.0	701,646,704	149,114,760
Other Payments:						
5. Fee-for-service	0	0.0	XXX	XXX	,	
6. Contractual fee payments	140 , 161 , 136	10.9	XXX	XXX	110,259,212	
7. Bonus/withhold arrangements - fee-for-service	103,541,016	8.1	XXX	XXX	39, 177, 979	64,363,037
Bonus/withhold arrangements - contractual fee payments	0	0.0	XXX	XXX		
9. Non-contingent salaries	0	0.0	XXX	XXX		
10. Aggregate cost arrangements	0	0.0	XXX	XXX		
11. All other payments	187 ,901 ,388	14.7	XXX	XXX	147 , 814 , 577	40,086,811
12. Total other payments	431,603,540	33.7	XXX	XXX	297,251,768	
13. TOTAL (Line 4 plus Line 12)	1,282,365,004	100 %	XXX	XXX	998,898,472	283,466,532

EXHIBIT 7 - PART 2 - SUMMARY OF TRANSACTIONS WITH INTERMEDIARIES

1	2	3	4 Average	5	6	
			Average Monthly Capitation	Intermedian/s	Intermediary's Authorized	
NAIC Code	Name of Intermediary	Capitation Paid	Capitation	Intermediary's Total Adjusted Capital	Control Level RBC	
INAIC Code	Name of intermediary	Capitation Faid	Capitation	Total Adjusted Capital	Contion Level RBC	
	NONE					
999999 Totals			XXX	XXX	XXX	

EXHIBIT 8 – FURNITURE, EQUIPMENT AND SUPPLIES OWNED

,	1	2	3	4	5	6
Description	Cost	Improvements	Accumulated Depreciation	Book Value Less Encumbrances	Assets Not Admitted	Net Admitted Assets
Administrative furniture and equipment	7 ,774 ,594		5,349,340	2,425,255	2,425,255	
Medical furniture, equipment and fixtures						
3. Pharmaceuticals and surgical supplies						
4. Durable medical equipment						
5. Other property and equipment						
6. Total	7,774,594	0	5,349,340	2,425,255	2,425,255	0



EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a) 1. Detroit, Michigan 2. Detroit, Michigan

Health Alliance Plan of Michigan **REPORT FOR: 1. CORPORATION**

REPORT FOR: 1. CORPORATION Realift Alliance Plai							Z. <u>501</u>	roit, iviichigan		(LOC	ATION)		
IAIC Group Code 1311 BUSINESS IN THE STATE	OF Michigan	Campus	hensive	[DURING THE YE	AR 2004		1			NAIC Compa	ny Code	95844
	1	(Hospital		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year	471,150	6,060	429,775	20,998				14,317					
2 First Quarter	465,030	5,891	423 , 485	21,324				14,330					
3 Second Quarter	463,245	5,687	421,111	21,405				15,042					
4. Third Quarter	461,929	5,747	419,087	21,762				15,333					
5. Current Year	460,919	5,646	416,255	23,463				15,555					
6 Current Year Member Months	5,561,745	69,400	5,050,295	262,799				179,251					
Total Member Ambulatory Encounters for Year:													
7. Physician	1,709,851												1,709,851
8. Non-Physician	861,818												861,818
9. Total	2,571,669	0	0	0	0	0	0	0	0	(0	0	2,571,669
10. Hospital Patient Days Incurred	169,753		96,327	44,368				27,422					1,636
11. Number of Inpatient Admissions	38,186		24,885	7,707				5,131					463
12. Health Premiums Written	1,435,214,629	14,906,044	1,126,636,344	92,365,127			72 , 427 , 163	128,879,951					
13. Life Premiums Direct	0												
14. Property/Casualty Premiums Written	0												
15. Health Premiums Earned	1,442,031,879	14,190,480	1,123,849,103	92,365,127			73,075,300	138 , 551 , 869					
16. Property/Casualty Premiums Earned	0												
17. Amount Paid for Provision of Health Care Services	1,282,365,004	12,661,395	1,002,749,535	80, 158, 369			66,096,109	120 ,739 ,910	(40,314)				
18. Amount Incurred for Provision of Health Care Services	1,300,059,561	12,869,271	1,019,212,815	80,140,962			65,919,008	121,917,505					

(a) For health business: number of persons insured under PPO managed care products _____and number of persons under indemnity only products ____

15. Health Premiums Earned

16. Property/Casualty Premiums Earned

17. Amount Paid for Provision of Health Care Services

18. Amount Incurred for Provision of Health Care Services



ANNUAL STATEMENT FOR THE YEAR 2004 OF THE Health Alliance Plan of Michigan

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION (LOCATION) BUSINESS IN THE STATE OF Consolidated **DURING THE YEAR 2004** NAIC Company Code 95844 NAIC Group Code 1311 (Hospital & Medical) 10 12 13 Federal **Employees** Vision Dental Health Benefit Title XVIII Title XIX Stop Medicare Disability Long-Term Total Individual Group Supplement Only Only Plan Medicare Medicaid Care Other Loss Income Total Members at end of: .471,150 ..6.060 .429,775 .20,998 ..14,317 Prior Year .465.030 ..5,891 .423,485 .21,324 ..14,330 2 First Quarter .463,245 ..5,687 .21,405 3 Second Quarter .421,111 ..15,042 ..5,747 .461,929 .419,087 .21,762 ..15,333 4. Third Quarter 460,919 5,646 416,255 23,463 15,555 Current Year 262,799 5,561,745 69.400 5,050,295 179.251 6 Current Year Member Months **Total Member Ambulatory Encounters for Year:** 1,709,85 ..1,709,851 7. Physician 861,818 861,818 8. Non-Physician 9. Total 2,571,669 2,571,669 96,327 10. Hospital Patient Days Incurred 169,753 44.368 27,422 38,186 24,885 7,707 5,131 463 11. Number of Inpatient Admissions 12. Health Premiums Written 1,435,214,629 ..14,906,044 .1,126,636,344 .92,365,127 ...72,427,163 ..128,879,951 13. Life Premiums Direct. 14. Property/Casualty Premiums Written

..73.075.300

..66.096.109

65.919.008

..138.551.869

.120.739.910

121.917.505

.(40.314

.92.365.127

.80.158.369

80.140.962

(a) For health business: number of persons insured under PPO managed care products 0 and number of persons under indemnity only products 0

.1.123.849.103

.1.002.749.535

1.019.212.815

.14.190.480

.12.661.395

12.869.271

1.442.031.879

1.282.365.004

.300.059.561

SCHEDULE A - VERIFICATION BETWEEN YEARS

	Book/adjusted carrying value, December 31, prior year (prior year statement)	4 ,573 ,591
2.	Increase (decrease) by adjustment:	, , , , , , , , , , , , , , , , , , , ,
	2.1 Totals, Part 1, Column 11	(1,007,936)
	2.2 Totals, Part 3, Column 7	0
3.	Cost of acquired, (Totals, Part 2, Column 6, net of encumbrances (Column 7) and net of additions and permanent improvements (Column 9)	0
4.	. Cost of additions and permanent improvements:	
	4.1 Totals, Part 1, Column 14.	
_	4.2 Totals, Part 3, Column 9	
	. Total profit (loss) on sales, Part 3, Column 14	U
0.	. Increase (decrease) by foreign exchange adjustment: 6.1 Totals, Part 1, Column 12	0
	6.2 Totals, Part 3, Column 8	
7.	Amounts received on sales, Part 3, Column 11 and Part 1, Column 13	_
8.		
9.	Total valuation allowance	
10.	. Subtotal (Lines 8 plus 9)	3,890,907
	. Total nonadmitted amounts	
12.	Statement value, current period (Page 2, real estate lines, Net Admitted Assets column)	943,411
	SCHEDULE B - VERIFICATION BETWEEN YEARS	
1.	Book value/recorded investment excluding accrued interest of mortgages owned, December 31 of prior year	0
2.	2.1 Actual cost at time of acquisitions 2.2 Additional investment made after acquisitions 3.3 Accrual of discount and mortgage interest points and commitment fees	
	2.1 Actual cost at time of acquisitions	•
•	2.2 Additional investment made after acquisitions	0
3.	Accrual of discount and mortgage interest points and commitment fees	
4. 5.		
	Amounts paid on account or in full during the year	
	Amortization of premium	
8.	·	
9.	Book value/recorded investment excluding accrued interest on mortgages owned at end of current period	0
10.	. Total valuation allowance	
11.	Subtotal (Lines 9 plus 10)	0
12.		
13.	Statement value of mortgages owned at end of current period (Page 2, mortgage lines, Net Admitted Assets column)	0
	SCHEDULE BA - VERIFICATION BETWEEN YEARS	
		2
		0
		0
		0
2.	Book/adjusted carrying value of long-term invested assets owned. December 31 of prior year Cost of acquisitions during year: 2.1 Actual cost at time of acquisitions 2.2 Additional investment made after acquisitions	0
2.	Book/adjusted carrying value of long-term invested assets owned December 31 of prior year Cost of acquisitions during year: 2.1 Actual cost at time of acquisitions 2.2 Additional investment made after acquisitions Accrual of discount	
2.	Book/adjusted carrying value of long-term invested assets owned December 31 of prior year Cost of acquisitions during year: 2.1 Actual cost at time of acquisitions 2.2 Additional investment made after acquisitions Accrual of discount Increase (decrease) by adjustment	
3.4.	Book/adjusted carrying value of long-term invested assets owned December 31 of prior year Cost of acquisitions during year: 2.1 Actual cost at time of acquisitions 2.2 Additional investment made after acquisitions Accrual of discount Increase (decrease) by adjustment Total profit (loss) on sale	
3. 4. 5. 6.	Book/adjusted carrying value of long-term invested assets owned December 31 of prior year Cost of acquisitions during year: 2.1 Actual cost at time of acquisitions 2.2 Additional investment made after acquisitions Accrual of discount Increase (decrease) by adjustment Total profit (loss) on sale	
3. 4. 5. 6.	Book/adjusted carrying value of long-term invested assets owned December 31 of prior year Cost of acquisitions during year: 2.1 Actual cost at time of acquisitions 2.2 Additional investment made after acquisitions Accrual of discount Increase (decrease) by adjustment Total profit (loss) on sale Amounts paid on account or in full during the year Amortization of premium	
2. 3. 4. 5. 6. 7.	Book/adjusted carrying value of long-term invested assets owned December 31 of prior year Cost of acquisitions during year: 2.1 Actual cost at time of acquisitions 2.2 Additional investment made after acquisitions Accrual of discount Increase (decrease) by adjustment Total profit (loss) on sale Amounts paid on account or in full during the year Amortization of premium Increase (decrease) by foreign exchange adjustment	
2. 3. 4. 5. 6. 7. 8. 9.	Book/adjusted carrying value of long-term invested assets owned December 31 of prior year Cost of acquisitions during year: 2.1 Actual cost at time of acquisitions 2.2 Additional investment made after acquisitions Accrual of discount Increase (decrease) by adjustment Total profit (loss) on sale Amounts paid on account or in full during the year Amortization of premium Increase (decrease) by foreign exchange adjustment Book/adjusted carrying value of long-term invested assets at end of current period Total valuation allowance	0
2. 3. 4. 5. 6. 7. 8. 9. 10.	Book/adjusted carrying value of long-term invested assets owned December 31 of prior year Cost of acquisitions during year: 2.1 Actual cost at time of acquisitions 2.2 Additional investment made after acquisitions Accrual of discount Increase (decrease) by adjustment Total profit (loss) on sale Amounts paid on account or in full during the year Amortization of premium Increase (decrease) by foreign exchange adjustment Book/adjusted carrying value of long-term invested assets at end of current period Total valuation allowance Subtotal (Lines 9 plus 10)	0
2. 3. 4. 5. 6. 7. 8. 9. 10. 11.	Book/adjusted carrying value of long-term invested assets owned December 31 of prior year Cost of acquisitions during year: 2.1 Actual cost at time of acquisitions 2.2 Additional investment made after acquisitions Accrual of discount Increase (decrease) by adjustment Total profit (loss) on sale Amounts paid on account or in full during the year Amortization of premium Increase (decrease) by foreign exchange adjustment Book/adjusted carrying value of long-term invested assets at end of current period Total valuation allowance Subtotal (Lines 9 plus 10)	0

SCHEDULE D - PART 1A - SECTION 1

Ouglity and Matur	ity Diatribution of All Bondo Ov	road Dagambar 21 at Back/Adii	uotod Correina Voluce by l	Major Types of Issues and NAIC Designation	
Quality and Matur	ILY DISTIBUTION OF All DONGS OF	nieu December 31, at Dook/Auji	usted Carrying values by i	Major Types of issues and MAIC Designation	115

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations											
Quality Rating per the NAIC Designation	1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 10.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Place (a)
1. U.S. Governments, Schedules D &		5 10015	10 10413	Through 20 Tours	OVCI ZO TCAIS	Total Guilent Teal	70 OI LINC 10.7	1 Hor rear	THOI TOU	Hadea	(α)
1.1 Class 1	13,000,000					13,000,000	100.0	0	0.0	13,000,000	
1.2 Class 2	10,000,000					0	0.0	0	0.0	10,000,000	
1.3 Class 3						0	0.0	0	0.0		
1.4 Class 4						0	0.0	0	0.0		
1.5 Class 5						0	0.0	0	0.0		
1.6 Class 6						0	0.0	0	0.0		
1.7 Totals	13.000.000	0	0	0	0	13,000,000	100.0	0	0.0	13,000,000	
2. All Other Governments, Schedules	- 1 1	<u> </u>	· · · · · · · · · · · · · · · · · · ·		-	10,000,000	.,,,,,	,		,,,,,,,,	
2.1 Class 1	- (F)				1	0	0.0	0	0.0		
2.2 Class 2						0	0.0	0	0.0		
2.3 Class 3						0	0.0	0	0.0		
2.4 Class 4						0	0.0	0	0.0		
2.5 Class 5						0	0.0	0	0.0		
2.6 Class 6						0	0.0	0	0.0		
2.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	
3. States, Territories and Possessions	etc., Guaranteed, So	chedules D & DA (Gro	(8 au	-		-					
3.1 Class 1	· · · · · · · · · · · · · · · · · · ·	1				0	0.0	0	0.0		
3.2 Class 2						0	0.0	0	0.0		
3.3 Class 3						0	0.0	0	0.0		
3.4 Class 4						0	0.0	0	0.0		
3.5 Class 5						0	0.0	0	0.0		
3.6 Class 6						0	0.0	0	0.0		
3.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	
4. Political Subdivisions of States, Te	rritories and Possess	sions, Guaranteed, Sch	nedules D & DA (Group	4)							
4.1 Class 1						0	0.0	0	0.0		
4.2 Class 2						0	0.0	0	0.0		
4.3 Class 3						0	0.0	0	0.0		
4.4 Class 4						0	0.0	0	0.0		
4.5 Class 5						0	0.0	0	0.0		
4.6 Class 6						0	0.0	0	0.0		
4.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	
5. Special Revenue & Special Assess	ment Obligations etc.	., Non-Guaranteed, Sc	hedules D & DA (Group	5)							
5.1 Class 1						0	0.0	0	0.0		
5.2 Class 2		<u> </u>				0	0.0	0	0.0		
5.3 Class 3						0	0.0	0	0.0		
5.4 Class 4						0	0.0	0	0.0		
5.5 Class 5		ļ				0	0.0	0	0.0		
5.6 Class 6						0	0.0	0	0.0		
5.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	1

9.7 Totals

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE Health Alliance Plan of Michigan

SCHEDULE D - PART 1A - SECTION 1 (continued)

	1	2	3	4	5	6	7	8	9	10	11
			Over 5 Years Through	Over 10 Years			Col. 6 as a	Total from Col. 6	% From Col. 7	Total Publicly	Total Privately Place
Quality Rating per the NAIC Designation		5 Years	10 Years	Through 20 Years	Over 20 Years	Total Current Year	% of Line 10.7	Prior Year	Prior Year	Traded	(a)
6. Public Utilities (Unaffiliated), Sched	dules D & DA (Group	6)									
6.1 Class 1						0	0.0	0	0.0		
6.2 Class 2						0	0.0	0	0.0		
6.3 Class 3						0	0.0	0	0.0		
6.4 Class 4						0	0.0	0	0.0		
6.5 Class 5						0	0.0	0	0.0		
6.6 Class 6						0	0.0	0	0.0		
6.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	
7. Industrial & Miscellaneous (Unaffilia	ated), Schedules D &	DA (Group 7)	•								
7.1 Class 1	0					0	0.0	19,935,486	80.2	0	
7.2 Class 2						0	0.0	0	0.0		
7.3 Class 3						0	0.0	4,912,197	19.8		
7.4 Class 4						0	0.0	0	0.0		
7.5 Class 5						0	0.0	0	0.0		
7.6 Class 6						0	0.0	0	0.0		
7.7 Totals	0	0	0	0	0	0	0.0	24,847,683	100.0	0	
8. Credit Tenant Loans, Schedules D 8	& DA (Group 8)	•	•								
8.1 Class 1	` ' '					0	0.0	0	0.0		
8.2 Class 2						0	0.0	0	0.0		
8.3 Class 3						0	0.0	0	0.0		
8.4 Class 4						0	0.0	0	0.0		
8.5 Class 5						0	0.0	0	0.0		
8.6 Class 6						0	0.0	0	0.0		
8.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	
9. Parent, Subsidiaries and Affiliates,	Schedules D & DA (C	Group 9)		-	-						
9.1 Class 1	,					0	0.0	0	0.0		
9.2 Class 2						0	0.0	0	0.0		
9.3 Class 3						0	0.0	0	0.0		
9.4 Class 4						n l	0.0	0	0.0		
9.5 Class 5.						0	0.0	0	0.0		
9.6 Class 6						n	0.0	0	0.0		

0.0

0.0

SCHEDULE D - PART 1A - SECTION 1 (continued)

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations											
O I'I D I' II NAIG D ' I'	1		3 Over 5 Years Through	4 Over 10 Years	5	6	7 Col. 6 as a	8 Total from Col. 6	9 % From Col. 7	10 Total Publicly	11 Total Privately Placed
Quality Rating per the NAIC Designation	1 Year or Less	5 Years	10 Years	Through 20 Years	Over 20 Years	Total Current Year	% of Line 10.7	Prior Year	Prior Year	Traded	(a)
10. Total Bonds Current Year	40,000,000			0	0	40,000,000	400.0	VVV	VVV	40,000,000	0
10.1 Class 1	13,000,000	0	0	U		13,000,000	100.0	XXX	XXX XXX	13,000,000	U
10.2 Class 2	0	J	0	U	0	U	0.0	XXX		U	U
10.3 Class 3	0	J	0	U		U	0.0	XXX	XXX	U	U
10.4 Class 4	U	L	υ		U	(c)	0.0	XXX	XXXXXX		U
10.5 Class 5	U	L	U	U	U	(c)	0.0 0.0	XXXXXX		U	U
10.6 Class 6	13,000,000	0	0	0	0	(b) 42 000 000		XXX	XXX	42 000 000	0
10.7 Totals	100.0	U	0.0	0.0	U	(b)13,000,000 100.0	100.0		XXX	13,000,000	U
10.8 Line 10.7 as a % of Col. 6	100.0	0.0	0.0	0.0	0.0	100.0	λλλ	XXX	λλλ	100.0	0.0
11. Total Bonds Prior Year	40 005 400			0	0	VVV	VVV	40 005 400	00.0	40 005 400	0
11.1 Class 1	19,935,486	0	<u>0</u>	0		XXX	XXX	19,935,486	80.2	19,935,486	J
11.2 Class 2	U	1 007 F14		U		XXX	XXX	U	0.0	U	U
11.3 Class 3	U	1,087,514	0	3,824,683		XXX	XXX	4,912,197	19.8	4,912,197	U
11.4 Class 4	U	0	0	U		XXXXXX	XXX	(c) 0	0.0 0.0	U	U
11.5 Class 5	U	0	0		U	XXX		(c)	0.0		U
11.6 Class 6	10 005 400	1 007 514	0	2 024 002	0		XXX	(b) 04 047 C00		04 047 000	0
11.7 Totals	19,935,486			3,824,683	U	XXX	XXX	(b)24,847,683	100.0	24,847,683	U
11.8 Line 11.7 as a % of Col. 8	80.2	4.4	0.0	15.4	0.0	XXX	XXX	100.0	XXX	100.0	0.0
12. Total Publicly Traded Bonds	40,000,000					40,000,000	400.0	40 005 400	00.0	40,000,000	WWW
12.1 Class 1	13,000,000					13,000,000	100.0	19,935,486	80.2	13,000,000	XXX
12.2 Class 2						U	0.0	U	0.0	U	XXX
12.3 Class 3		•				U	0.0	4,912,197	19.8	U	XXX
12.4 Class 4		•				U	0.0	U	0.0	U	XXX
12.5 Class 5						U	0.0	U	0.0 0.0	U	XXX XXX
12.6 Class 6	40,000,000		^	^	^	40,000,000	0.0	04.047.000		40,000,000	
12.7 Totals	13,000,000		0			13,000,000	100.0	24,847,683	100.0	13,000,000	XXX
12.8 Line 12.7 as a % of Col. 6	100.0	0.0	0.0		0.0	100.0	XXX	XXX	XXX	100.0	XXX
12.9 Line 12.7 as a % of Line 10.7,	100.0	0.0	0.0	0.0	0.0	400.0	VVV	VVV	XXX	400.0	XXX
Col. 6, Section 10	100.0	0.0	0.0	0.0	0.0	100.0	XXX	XXX	λλλ	100.0	λλλ
13. Total Privately Placed Bonds							0.0		0.0	WWW	0
13.1 Class 1						j	0.0	0	0.0	XXX	<u>0</u>
13.2 Class 2						j	0.0	0	0.0	XXX	<u>0</u>
13.3 Class 3						Ü	0.0	ū	0.0	XXX	
13.4 Class 4						<u> </u>	0.0 0.0	0	0.0	XXXXXX	<u>0</u>
13.5 Class 5		-				<u> </u>		0	0.0		<u>0</u>
13.6 Class 6	^	_		^	^	0	0.0	0	0.0	XXX	0
13.7 Totals	0	0	0	0	0	0		0	0.0	XXX	0
13.8 Line 13.7 as a % of Col. 6	0.0	0.0	0.0	0.0	0.0	0.0	XXX	XXX	XXX	XXX	0.0
13.9 Line 13.7 as a % of Line 10.7, Col. 6, Section 10	0.0	0.0	0.0	0.0	0.0	0.0	XXX	XXX	XXX	XXX	0.0
00.1 0, 000.101. 10	0.0	0.0	0.0	0.0	0.0	0.0	,,,,,,	,,,,,	,,,,,,	,,,,,	0.0

⁽a) Includes \$ freely tradable under SEC Rule 144 or qualified for resale under SEC Rule 144A.

SCHEDULE D - PART 1A - SECTION 2

SCHEDULE D - PART 1A - SECTION 2 Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues											
	1	2	3	4	5	6	7	8	9	10	11
		Over 1 Year	Over 5 Years	Over 10 Years			Col. 6 as a %	Total from Col 6	% From Col. 7	Total Publicly	Total Privately
Distribution by Type	1 Year or Less	Through 5 Years	Through 10 Years	Through 20 Years	Over 20 Years	Total Current Year	of Line 10.7	Prior Year	Prior Year	Traded	Placed
1. U.S. Governments, Schedules D & DA (Group 1)	13.000.000		1			13,000,000	100.0	0	0.0	13,000,000	
1.1 Issuer Obligations	13,000,000					13,000,000	0.0		0.0	13,000,000	
1.2 Single Class Mortgage-Backed/Asset-Backed Securities	12 000 000	0	0	0	0	42 000 000		0		12 000 000	^
1.7 Totals	13,000,000	U	U	U	U	13,000,000	100.0	U	0.0	13,000,000	Ü
2. All Other Governments, Schedules D & DA (Group 2) 2.1 Issuer Obligations						0	0.0	0	0.0		
2.1 ISSUER Character Decked (Accept Decked Constitution		• • • • • • • • • • • • • • • • • • • •					0.0	u	0.0		•
Single Class Mortgage-Backed/Asset-Backed Securities MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES Defined						0	0.0		0.0		
2.4 Other						n n	0.0	0	0.0		
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET- BACKED SECURITIES											
2.5 Defined						0	0.0	0	0.0		
2.6 Other						0	0.0	0	0.0		
2.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
States, Territories, and Possessions Guaranteed, Schedules D & DA (Group 3) Issuer Obligations						0	0.0	0	0.0		
3.2 Single Class Mortgage-Backed/Asset-Backed Securities MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES						0	0.0	0	0.0		
3.3 Defined 3.4 Other						0	0.0	0	 0.0		
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET- BACKED SECURITIES								0			
3.5 Defined						0	0.0	0	0.0		
3.6 Other						0	0.0	0	0.0		
3.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
4. Political Subdivisions of States, Territories and Possessions, Guaranteed, Sched	dules D & DA (Group 4)					0	0.0		0.0		
4.1 Issuer Obligations		• • • • • • • • • • • • • • • • • • • •				U	0.0	U	0.0		
Single Class Mortgage-Backed/Asset-Backed Securities MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES 4.3 Defined						U	0.0		0.0		
4.3 Defined 4.4 Other							0.0		0.0		
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET- BACKED SECURITIES											
4.5 Defined						0	0.0	0	0.0		
4.6 Other						0	0.0	0	0.0		
4.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	0
5. Special Revenue & Special Assessment Obligations etc., Non-Guaranteed, Scher	dules D & DA (Group 5)										
5.1 Issuer Obligations 5.2 Single Class Martgage Backed/Asset Backed Securities			ł	 		0	0.0	0	0.0		
5.2 Single Class Mortgage-Backed/Asset-Backed Securities MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
5.3 Defined						0 n	0.0 0.0	0 n	0.0 0.0		
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET- BACKED SECURITIES											
5.5 Defined						0	0.0	0	0.0 0.0		
5.6 Other		^	_	^	_	0)		^	_
5.7 Totals	Ü	0	0	U	0	0	0.0	Ü	0.0	0	0

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE Health Alliance Plan of Michigan

SCHEDULE D - PART 1A - SECTION 2 (continued)

				December 31, at Book		•	,	21100			
	1	2	3	4	5	6	7	8	9	10	11
		Over 1 Year Through	Over 5 Years	Over 10 Years			Col. 6 as a	Total from Col. 6	% From Col. 7	Total Publicly	Total Privately
Distribution by Type	1 Year or Less	5 Years	Through 10 Years	Through 20 Years	Over 20 Years	Total Current Year	% of Line 10.7	Prior Year	Prior Year	Traded	Placed
6. Public Utilities (Unaffiliated), Schedules D & DA (Group 6)										
6.1 Issuer Obligations						0	0.0	0	0.0		
6.2 Single Class Mortgage-Backed/Asset-Based Securities						0	0.0	0	0.0		
MULTI-CLASS RESIDENTIAL MORTGAGE- BACKED SECURITIES											
6.3 Defined						0	0.0	0	0.0		
6.4 Other						0	0.0	0	0.0		
MULTI-CLASS COMMERCIAL MORTGAGE- BACKED/ASSET-BACKED SECURITIES											
6.5 Defined						0	0.0	0	0.0		
6.6 Other						0	0.0	0	0.0		
6.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	
7. Industrial & Miscellaneous (Unaffiliated), Schedul	les D & DA (Group 7)	<u> </u>	<u>_</u>	-			0.0		0.0	<u> </u>	
7.1 Issuer Obligations	0					0	0.0	24,847,683	100.0	0	
7.2 Single Class Mortgage-Backed/Asset-Based Securities						0	0.0	0	0.0		
MULTI-CLASS RESIDENTIAL MORTGAGE- BACKED SECURITIES											
7.3 Defined						0	0.0	0	0.0		
7.4 Other						0	0.0	0	0.0		
MULTI-CLASS COMMERCIAL MORTGAGE- BACKED/ASSET-BACKED SECURITIES											
7.5 Defined						0	0.0	0	0.0		
7.6 Other						0	0.0	0	0.0		
7.7 Totals	0	0	0	0	0	0	0.0	24,847,683	100.0	0	
8. Credit Tenant Loans, Schedules D & DA (Group 8	3)										
8.1 Issuer Obligations						0	0.0	0	0.0		
8.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	
9. Parents, Subsidiaries and Affiliates, Schedules D	& DA (Group 9)										
9.1 Issuer Obligations						0	0.0	0	0.0		
9.2 Single Class Mortgage-Backed/Asset-Based Securities						0	0.0	0	0.0		
MULTI-CLASS RESIDENTIAL MORTGAGE- BACKED SECURITIES											
9.3 Defined						0	0.0	0	0.0		
9.4 Other						0	0.0	0	0.0		
MULTI-CLASS COMMERCIAL MORTGAGE- BACKED/ASSET-BACKED SECURITIES											
9.5 Defined						0	0.0	0	0.0		
9.6 Other						0	0.0	0	0.0		
9.7 Totals	0	0	0	0	0	0	0.0	0	0.0	0	

SCHEDULE D - PART 1A - SECTION 2 (continued)

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues											
	1	2	3	4	5	6	7	8	9	10	11
		Over 1 Year	Over 5 Years	Over 10 Years		Total		Total From Col. 6			Total Privately
Distribution by Type	1 Year or Less	Through 5 Years	Through 10 Years	Through 20 Years	Over 20 Years	Current Year	of Line 10.7	Prior Year	Prior Year	Traded	Placed
10. Total Bonds Current Year											
10.1 Issuer Obligations	13,000,000	0	0	0	0	13,000,000	100.0	XXX	XXX	13,000,000	0
10.2 Single Class Mortgage-Backed/Asset-Backed Securities	0	0	0	0	0	0	0.0	XXX	XXX	0	0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
10.3 Defined	0	0	0	0	0	0	0.0		XXX	0	0
10.4 Other	0	0	0	0	0	0	0.0	XXX	XXX	0	0
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES											
10.5 Defined	0	0	0	0	0	0	0.0		XXX	0	0
10.6 Other	0	0	0	0	0	0	0.0		XXX	0	0
10.7 Totals	13,000,000	0	0	0	0	13,000,000	100.0	XXX	XXX	13,000,000	
10.8 Line 10.7 as a % of Col. 6	100.0	0.0	0.0	0.0	0.0	100.0	XXX	XXX	XXX	100.0	0.0
11. Total Bonds Prior Year											
11.1 Issuer Obligations	19,935,486	1,087,514	0	3,824,683	0	XXX	XXX	24,847,683	100.0	24,847,683	0
11.2 Single Class Mortgage-Backed/Asset-Backed Securities	0	0	0	0	0	XXX	XXX	0	0.0	0	0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
11.3 Defined	0	0	0	0	0	XXX	XXX	0	0.0	0	0
11.4 Other	0	0	0	0	0	XXX	XXX	0	0.0	0	0
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES											
11.5 Defined	0	0	0	0	0	XXX	XXX	0	0.0	0	0
11.6 Other	0	0	0	0	0	XXX	XXX	0	0.0	0	0
11.7 Totals	19,935,486	1,087,514	0	3,824,683	0	XXX	XXX	24,847,683	100.0	24,847,683	0
11.8 Line 11.7 as a % of Col. 8	80.2	4.4	0.0	15.4	0.0	XXX	XXX	100.0	XXX	100.0	0.0
12. Total Publicly Traded Bonds											
12.1 Issuer Obligations	13,000,000					13,000,000	100.0	24,847,683	100.0	13,000,000	XXX
12.2 Single Class Mortgage-Backed/Asset-Backed Securities						0	0.0	0	0.0	0	XXX
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
12.3 Defined						0	0.0	0	0.0	0	XXX
12.4 Other						0	0.0	0	0.0	0	XXX
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES											
12.5 Defined						0	0.0	0	0.0	0	XXX
12.6 Other						0	0.0			0	XXX
12.7 Totals	13,000,000	0	0	0	0	13,000,000	100.0	24,847,683	100.0	13,000,000	XXX.
12.8 Line 12.7 as a % of Col. 6	100.0	0.0	0.0	0.0	0.0	100.0	XXX	XXX	XXX	100.0	XXX
12.9 Line 12.7 as a % of Line 10.7, Col. 6, Section 10	100.0	0.0	0.0	0.0	0.0	100.0	XXX	XXX	XXX	100.0	XXX
13. Total Privately Placed Bonds											
13.1 Issuer Obligations		<u> </u>				0	0.0	0	0.0	XXX	0
13.2 Single Class Mortgage-Backed/Asset-Backed Securities						0	0.0	0	0.0	XXX	0
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
13.3 Defined						0	0.0	0	0.0	ХХХ	0
13.4 Other				_		0	0.0	0	0.0	XXX	0
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES											
13.5 Defined		.		<u> </u>		0	0.0	0		XXX	0
13.6 Other						0	0.0	0	0.0	XXX	0
13.7 Totals	0	0	0	0	0	0	0.0		0.0	XXX	0
13.8 Line 13.7 as a % of Col. 6	0.0	0.0	0.0	0.0	0.0	0.0	XXX	XXX	XXX	XXX	00
13.9 Line 13.7 as a % of Line 10.7, Col. 6, Section 10	0.0	0.0	0.0	0.0	0.0	0.0	XXX	XXX	XXX	XXX	0.0

SCHEDULE DA - PART 2

Verification of SHORT-TERM INVESTMENTS Between Years

Verification of SHORT-TERM INVESTMENTS Between Years											
	1	2	3	4	5						
	Total	Bonds	Mortgage Loans	Other Short-term Investment Assets(a)	Investments in Parent, Subsidiaries and Affiliates						
Book/adjusted carrying value, prior year		19,935,486	0	0	0						
Cost of short-term investments acquired	42,909,310	42,909,310									
Increase (decrease) by adjustment	0										
Increase (decrease) by foreign exchange adjustment	0										
Total profit (loss) on disposal of short-term investments	0										
6. Consideration received on disposal of short-term investments	49,844,796	49,844,796									
7. Book/adjusted carrying value, current year	13,000,000	13,000,000	0	0	0						
Total valuation allowance	0										
9. Subtotal (Lines 7 plus 8)		13,000,000	0	0	0						
10. Total nonadmitted amounts	0										
11. Statement value (Lines 9 minus 10)	13,000,000	13,000,000	0	0	0						
12. Income collected during year	258,321	258,321									
13. Income earned during year	244,484	244,484									

(a) Indicate the category of such assets, for example, joint ventures, transportation equipment:

Schedule DB - Part A - VBY

NONE

Schedule DB - Part B - VBY

NONE

Schedule DB - Part C - VBY NONE

Schedule DB - Part D - VBY NONE

Schedule DB - Part E - VBY NONE

Schedule DB - Part F - Section 1

NONE

Schedule DB - Part F - Section 2

NONE

Schedule S - Part 1 - Section 2

NONE

Schedule S - Part 2

NONE

Schedule S - Part 3 - Section 2

NONE

Schedule S - Part 4

NONE

Schedule S - Part 5

SCHEDULE S-PART 6

Restatement of Balance Sheet to Identify Net Credit For Ceded Reinsurance

	nestatement of balance sheet to identify Net C	1	2	3
		As Reported (net of ceded)	Restatement Adjustments	Restated (gross of ceded)
	ASSETS (Page 2, Col. 3)			
1.	Cash and invested assets (Line 10)	334,995,159		334,995,159
2.	Accident and health premiums due and unpaid (Line 12)	13,655,985		13,655,985
3.	Amounts recoverable from reinsurers (Line 13.1)	0		0
4.	Net credit for ceded reinsurance	xxx	0	0
5.	All other admitted assets (Balance)	. 7,434,032		7,434,032
6.	Total assets (Line 26)	356,085,177	0	356,085,177
	LIABILITIES, CAPITAL AND SURPLUS (Page 3)			
7.	Claims unpaid (Line 1)	98,301,462	0	98,301,462
8.	Accrued medical incentive pool and bonus payments (Line 2)	3,027,572		3,027,572
9.	Premiums received in advance (Line 8)	17,449,507		17 , 449 , 507
10.	Reinsurance in unauthorized companies (Line 18)	0		0
11.	All other liabilities (Balance)	. 20,818,916		20,818,916
12.	Total liabilities (Line 22)	139 , 597 , 457	0	139 , 597 , 457
13.	Total capital and surplus (Line 30)	216,487,720	XXX	216,487,720
14.	Total liabilities, capital and surplus (Line 31)	356,085,177	0	356,085,177
	NET CREDIT FOR CEDED REINSURANCE			
15.	Claims unpaid	0		
16.	Accrued medical incentive pool	0		
17.	Premiums received in advance	0		
18.	Reinsurance recoverable on paid losses	0		
19.	Other ceded reinsurance recoverables	. 0		
20.	Total ceded reinsurance recoverables	0		
21.	Premiums receivable	0		
22.	Unauthorized reinsurance	0		
23.	Other ceded reinsurance payables/offsets	0		
24.	Total ceded reinsurance payable/offsets	0		
25.	Total net credit for ceded reinsurance	0		

SCHEDULE Y (continued) PART 2 - SUMMARY OF INSURER'S TRANSACTIONS WITH ANY AFFILIATES

	PART 2 - SUMMARY OF INSURER'S TRANSACTIONS WITH ANY AFFILIATES											
1	2	3	4	5	6	7	8	9	10	11	12	13
					L	Income/						
					Purchases, Sales or Exchanges of	(Disbursements) Incurred in						Reinsurance
					Loans, Securities,	Connection with		Income/		Any Other Material		Recoverable/
					Real	Guarantees or		(Disbursements)		Activity Not in the		(Payable) on Losses
NAIC					Estate, Mortgage	Undertakings for the	Management	Incurred Under		Any Other Material Activity Not in the Ordinary Course of		and/or Reserve
Company	Federal ID		Shareholder	Capital	Loans or Other	Undertakings for the Benefit of any	Agreements and	Reinsurance		the Insurer's		Credit
Code	Number	Names of Insurers and Parent, Subsidiaries or Affiliates	Dividends	Contributions	Investments	Affiliate(s)	Service Contracts	Agreements	*	Business	Totals	Taken/(Liability)
	38 - 2513504 38 - 3291563 38 - 2242827 38 - 1357020	Preferred Health Plan		2,000,000			(1,715,313) (6,292,967)					
60134	38 - 3291563	Alliance Health and Life Insurance Co. Health Alliance Plan of Michigan	(00, 000, 000)				(6,292,967)				(6,292,967)	
95844	38-2242827	Health Alliance Plan of Michigan	(29,000,000)	(2,000,000)			7,370,276		· · · · · · · · · · · · · · · · · · ·		(23,629,724)	
	38 - 135/020	Henry Ford Health System	29,000,000				038,004				29,038,004	
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9999999 Co	ntrol Totals		0	0	0	0	0	0	XXX	0	0	0

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your annual statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of **NO** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

MARCH FILING

1.	Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1?	YES	[X]	NO	[]
2.	Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1?	YES	[X]	NO	[]
3.	Will an actuarial certification be filed by March 1?	YES	[X]	NO	[]
4.	Will the Risk-based Capital Report be filed with the NAIC by March 1?	YES	[X]	NO	[]
5.	Will the Risk-based Capital Report be filed with the state of domicile, if required by March 1?	YES	[X]	NO	[]
6.	Will the Life Supplement be filed the state of domicile and the NAIC by March 1?	YES	[]	NO	[X]
7.	Will the Property/Casualty Supplement be filed the state of domicile and the NAIC by March 1?	YES	[]	NO	[X]
	APRIL FILING				
8.	Will Management's Discussion and Analysis be filed by April 1?	YES	[X]	NO	[]
9.	Will the Long-Term Care Experience Reporting Forms be filed with the state of domicile by April 1?	YES	[]	NO	[X]
10.	Will the Investment Risks Interrogatories be filed by April 1?	YES	[X]	NO	[]
	JUNE FILING				
11.	Will an audited financial report be filed by June 1 with the state of domicile?	YES	[X]	NO	[]

EXPLANATIONS:

- $\ensuremath{\mathsf{6}}.$ The Company does not write Life business.
- $7.\ {\it The\ Company\ has\ no\ Property/Casualty\ business}$.
- $9\,.$ The Company does not write Long-Term Care business.

BAR CODE:







OVERFLOW PAGE FOR WRITE-INS

M004 Additional Aggregate Lines for Page 04 Line 14.

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1404.	Mental Health and Substance Abuse		38,491,314	39,245,899
1405.	Other		55,918,754	26.046.287
1497.	Summary of remaining write-ins for Line 14 from Page 04	0	94,410,068	65,292,186

OVERFLOW PAGE FOR WRITE-INS

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													<u> </u>
M007 Additional Aggregate Lines for Page 07 Line 13.													
*ANAOPS													
1304. Mental Health and Substance Abuse	38,491,314	31,232,016				1,860,242	4 , 167 , 060						
1305. Other	55,918,754	45,372,714	1,789,799			2,702,490	6,053,751						
1397. Summary of remaining write-ins for Line 13 from													1
page 7	94,410,068	76,604,730	3,021,795	0	0	4,562,732	10,220,811	0	0	0	0	0	1
	, , , , , , , , , , , , , , , , , , , ,	, ,	, , , , , , , ,				, -,-						1



SUPPLEMENTAL EXHIBIT FOR THE YEAR 2004 OF THE Health Alliance Plan of Michigan

MEDICARE SUPPLEMENT INSURANCE EXPERIENCE EXHIBIT

FOR THE STATE OF Michigan

NAIC Group Code 1311	NAIC Company Code 95844	
Address (City, State and Zip Code) Detroit, Michigan 48202		
Person Completing This Exhibit Diana Ronan		
Title Assistant VP Financial Strategy and Reporting		093

1	2	3	4	5	6	7	8	9	10		Policies Issued			Policies Issued in 2002, 2003, 2004				
										11	Incurred Claims		14	15 Incurred Claims			18	
											12	13			16	17		
		Standardized				_	_											
	5 " 5	Medicare		Plan	. .	Date	Date	. .	5			Percent of	Number of			Percent of	Number of	
Compliance with OBRA	Policy Form Number	Supplement Benefit Plan	Medicare Select	Character- istics	Date	Approval Withdrawn	Last Amended	Date Closed	Policy Marketing Trade Name	Premiums Earned	Amount	Premiums Earned	Covered Lives	Premiums Earned	Amount	Premiums Earned	Covered Lives	
WILLIOPHA	Number	benefit Plan	Select	ISUCS	Approved	withdrawn	Amended	Ciosea	Name	Earneu	Amount	Earneu	Lives	Earneu	Amount	Earneu	Lives	
Yes	All Forms	J	No	. 0004500	12/15/2003				Medicare Comprehensive	27 , 332 , 078	24,877,171	91.0	13,143	11,262,008	9,828,275	87 .3	2,885	
0199999 To	0199999 Total Experience on Individual Policies						27,332,078	24,877,171	91.0	13,143	11,262,008	9,828,275	87.3	2,885				
Yes	All Forms	. J	No	. 0004500	12/15/2003	· · · · · · · · · · · · · · · · · · ·			Medicare Comprehensive	311,450,178	281,110,809	90.3	165,294	236,967,643	206,702,925	87 .2	60,697	
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0299999 To	otal Experience on	Group Policie	S			•				311,450,178	281,110,809	90.3	165,294	236,967,643	206,702,925	87.2	60,697	

GENERAL INTERROGATORIES

- 1. If response in Column 1 is no, give complete and full details:
- 2. Claims address and contact person provided to the Secretary of Health and Human Services as required by 42 U.S.C. 1395ss(c)(3)(E) for this state.
 - 2.1 Address: 2850 West Grand Boulevard Detroit, MI 48202
 - 2.2 Contact Person and Phone Number: Donald Kiefiuk 248-443-2038
- 3. Billing address and contact person for user fees established under 41 U.S.C. 1395u(h)(3)(B).
 - 3.1 Address: 2850 West Grand Boulevard Detroit, MI 48202
 - 3.2 Contact Person and Phone Number: Tamara VonKnorring 248-443-1154
- 4. Explain any policies identified above as policy type "O".